

FISCAL NOTE

SB 613 - HB 708

March 5, 2007

SUMMARY OF BILL: Reduces from 15 to 10 acres the minimum size of a parcel to qualify for greenbelt classification for property tax purposes.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Increase Local Govt. Expenditures – Not Significant

Decrease Local Govt. Revenues – Exceeds \$4,000,000

Assumptions:

- An increase in state and local government expenditures for the administrative cost to implement the changes required by the bill. Such increase is estimated to be not significant.
- According to data for approximately 60 counties, approximately 59% of the properties that could qualify for greenbelt classification are actually classified in that manner.
- According to data for approximately 60 counties, 37,261 parcels would be eligible for greenbelt classification according to the provisions of this bill.
- According to data for approximately 60 counties, the average value of 10 to 14.99 acre parcels, which are currently not eligible for greenbelt classification but would be under the provisions of this bill, is \$10,603.
- 56% of the value of a given parcel would not be taxable if a property is classified as greenbelt.
- An average tax rate of \$3.22 per \$100 of value.
- The total decrease is calculated as:

$37,261 \times 59\% = 21,984$ new parcels classified as greenbelt

$21,984 \times \$10,603 = \$233,096,352$ total value of new parcels classified as greenbelt

$\$233,096,352 \times 56\% = \$130,533,957$ Total taxable value

$\$130,533,957 \times 3.22\% = \$4,203,193$ Minimum total decrease in revenue

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director